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22 June 1953

MEMORANDUM FOR THE DIRECTOR OF CENTRAL INTELLIGENCE

SUBJECT: NIE-79: Probable Developments in South Asia

BACKGROUND

1. This estimate was included in the Program of NIE's for 1953 in anticipation of a probable policy review of NSC 98/1, "Position of the United States with Respect to South Asia." An initial draft revision of NSC 98/1 by the Department of State was distributed on 9 June and is scheduled for early consideration by the Planning Board.

SUBSTANCE

2. The IAC representatives were from the start in general agreement on the substantive content of this estimate, and such differences as did arise during their discussions appear to have been satisfactorily resolved. However, two minor points will be raised again by State at the IAC meeting (See attached):

a. Causes of popular discontent in India

Paragraph 14 speaks of India's low standard of living and the pressure of population as "Causes of popular discontent." State wishes to say that growing consciousness of these conditions is the cause of discontent and that it is likely to become increasingly important.

b. Effect of Western actions on India's policy

Paragraph 61 estimates that continuation of US economic aid will contribute to Indian economic stability but is unlikely to induce India to make a military commitment to the West. State wishes to add that economic aid will encourage a more favorable attitude to the US and that India's present position includes elements of "benevolent neutrality fundamentally favorable to the West."

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3. These State amendments are acceptable to the Board.

SHERMAN KENT
Assistant Director
National Estimates

O/NZ: [REDACTED]

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